

AMENDED IN ASSEMBLY FEBRUARY 13, 2001

CALIFORNIA LEGISLATURE—2001–02 FIRST EXTRAORDINARY SESSION

ASSEMBLY BILL

No. 8

**Introduced by Assembly ~~Member Migden~~ Members Migden,
Diaz, and Oropeza**

January 16, 2001

An act *to add Section 363.1 to the Public Utilities Code*, relating to public utilities.

LEGISLATIVE COUNSEL'S DIGEST

AB 8, as amended, Migden. ~~Public utilities: electricity: Independent System Operator Utilities Commission: electric generators: unscheduled maintenance.~~

(1) *Under existing electrical restructuring in the Public Utilities Act, the Public Utilities Commission regulates the electric generating facilities of public utility electrical corporations.*

This bill would require the commission to require electric generators to defer scheduled maintenance of generating facilities, as the commission determines to be appropriate, in order to maintain the stability of the grid or of the price of electricity in the market. The bill would authorize the commission, notwithstanding specified existing law, and to the extent not prohibited by federal law, to inspect electric generating facilities and order that an electric generating facility not operating due to unscheduled maintenance resume operation. Since a violation of a rule or order of the commission is a crime, this bill would impose a state-mandated local program by creating a new crime.

This bill would require the commission to prepare and submit, monthly, to the chairs of specified legislative committees, a report



regarding certain actions taken by the commission under the provisions of the bill.

This bill would make related legislative findings and declarations.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

~~Existing law requires the establishment and operation of an Independent System Operator to ensure efficient use and reliable operation of the state's electricity transmission grid.~~

~~This bill would require the Independent System Operator to submit a report to the Legislature not later than January 1, 2002, regarding the operator's success in coordinating maintenance in advance to maintain system reliability, minimize the quantity and effect of congestion on the grid and connections controlled by the operator, and preserve price stability for electricity.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~—yes. State-mandated local program: ~~no~~—yes.

The people of the State of California do enact as follows:

1 ~~SECTION 1.~~—The Independent System Operator shall submit

2 *SECTION 1. The Legislature finds and declares all of the*
3 *following:*

4 (a) *Shortages in electricity available to public utility electrical*
5 *corporations in this state have resulted in blackouts affecting*
6 *millions of Californians.*

7 (b) *Unanticipated and dramatic increases in the price of*
8 *electricity threaten the public safety and economic security.*

9 (c) *The existing energy shortage requires substantial*
10 *additional authority for the Public Utilities Commission to*
11 *regulate generators of electric power to guard against potential*
12 *manipulation of the market from poorly timed or unauthorized*
13 *maintenance of electric generating facilities.*

14 (d) *It is the intent of the Legislature in enacting this act to*
15 *authorize the Public Utilities Commission to take measures to*
16 *provide that any actions removing electric generating plants from*



1 *supplying power are coordinated to the maximum extent possible*
2 *to maintain stability in the wholesale market for power.*

3 *SEC. 2. Section 363.1 is added to the Public Utilities Code, to*
4 *read:*

5 *363.1. (a) The commission may require electric generators to*
6 *defer scheduled maintenance of generating facilities, as the*
7 *commission determines to be appropriate, in order to maintain the*
8 *stability of the grid or of the price of electricity in the market.*

9 *(b) Notwithstanding subdivision (g) of Section 216, and to the*
10 *extent not prohibited by federal law, the commission may inspect*
11 *electric generating facilities and may order that an electric*
12 *generating facility not operating due to unscheduled maintenance*
13 *resume operation.*

14 *(c) The commission shall prepare and submit, monthly, to the*
15 *Chair of the Assembly Utilities and Commerce Committee and the*
16 *Chair of the Senate Energy, Utilities and Communications*
17 *Committee a report regarding any action taken by the commission*
18 *in accordance with this section to order that scheduled*
19 *maintenance be conducted at a specific generating facility at a*
20 *specific time or that a generating facility resume operation from*
21 *unscheduled maintenance.*

22 *SEC. 3. No reimbursement is required by this act pursuant to*
23 *Section 6 of Article XIII B of the California Constitution because*
24 *the only costs that may be incurred by a local agency or school*
25 *district will be incurred because this act creates a new crime or*
26 *infraction, eliminates a crime or infraction, or changes the penalty*
27 *for a crime or infraction, within the meaning of Section 17556 of*
28 *the Government Code, or changes the definition of a crime within*
29 *the meaning of Section 6 of Article XIII B of the California*
30 *Constitution. a report to the Legislature not later than January 1,*
31 *2002, regarding the operator's success in coordinating*
32 *maintenance in advance to do all of the following:*

- 33 ~~*(a) Maintain system reliability.*~~
- 34 ~~*(b) Minimize the quantity and effect of congestion on the*~~
35 ~~*transmission grid and connections controlled by the Independent*~~
36 ~~*System Operator.*~~
- 37 ~~*(c) Preserve price stability for electricity.*~~

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